

2023 Q4 and Annual Management Performance Report

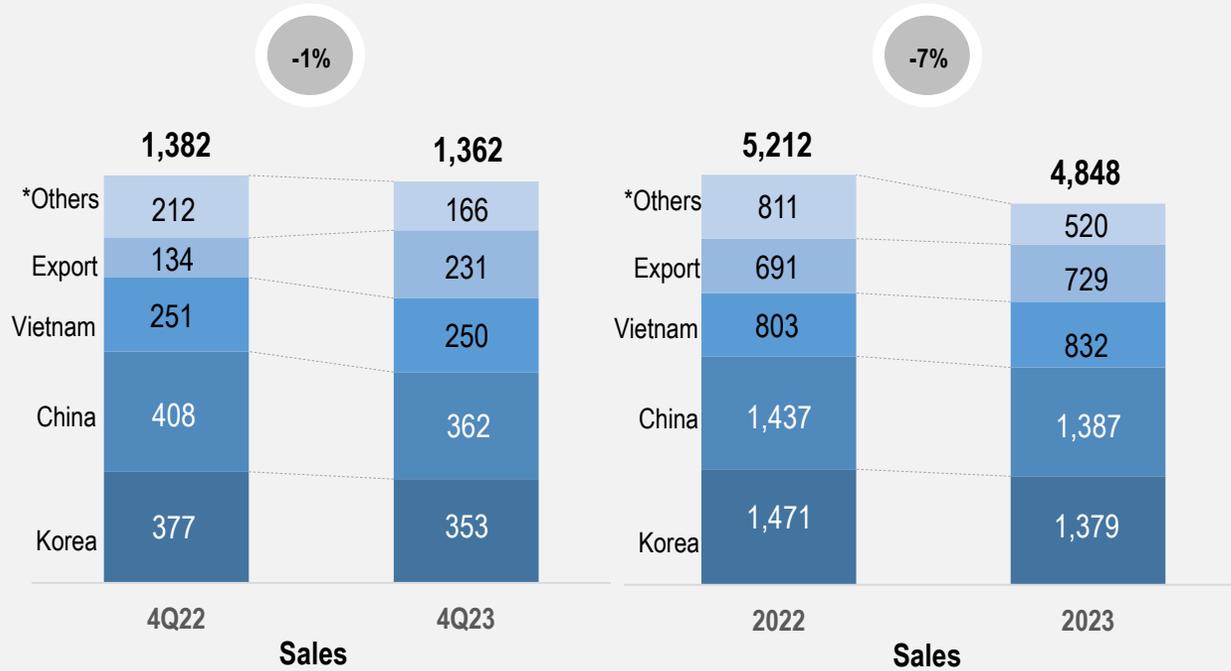
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Disclaimer

This document has been prepared by Lock & Lock, Co., Ltd. (“the Company”) to provide shareholders and potential investors with financial and operational information about the Company. This document is an advance report, and the financial information included in the document has yet to undergo independent verification by an external auditor and is subject to revision upon completion of the Company’s closing and audit processes. This document contains forward-looking statements that discuss expectations, future events, and projections of the Company’s financial condition and operational outcomes, using terms such as “project,” “outlook,” “plan,” “expect,” etc. This document is presented solely to provide information regarding the Company and is subject to change without notice.

Company-wide Performance Summary

2023 FY Performance



(Unit: KRW 100million)

	4Q22	2022	4Q23	2023	4Q YoY	FY YoY
Sales	1,382	5,212	1,362	4,848	-1%	-7%
Operating Income	-18	23	-5	-210	N/A	Turn to Negative
Net Income	-270	-205	-144	-398	N/A	N/A

2023 FY Performance Summary

Decreased sales due to weak market conditions in China

Sales for 23FY decreased by 7% YoY due to the weak market conditions in China and strategic changes of channel mix in Korea for profitability, despite of sales increase in North America in the second half of the year.

Continued sales growth in the strategic categories

Steady growth of food container as a strategic category in Korea and Export business (Korea (excl. home shopping channel) 2.6% YoY, Export 3.5% YoY)
Continued solid growth of beverageware in SE Asia market as a leading brand in the market of tumbler (Vietnam 14% YoY, Indonesia 33% YoY, Thailand 68% YoY)

Expanding online business

Responding in a timely manner to changes in the market environment and consumer spending trends, the online business has been increased by 31% YoY globally (excl. China)

Negative Operating Income

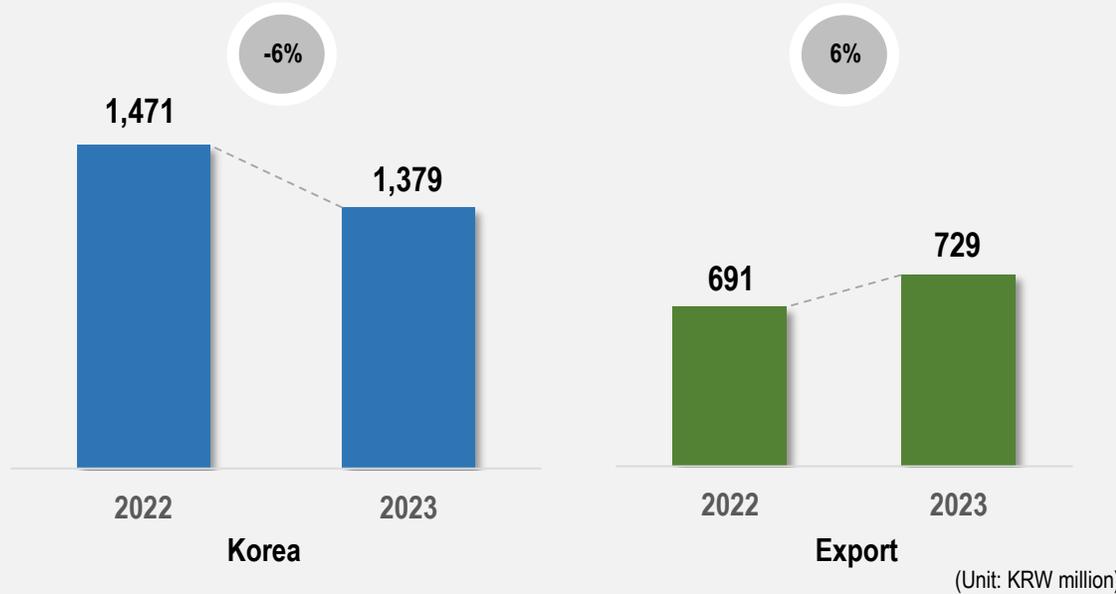
Operating income decreased by KRW 23.3bn YoY, affected by one-off costs such as allowance for inventory and severance costs

* Others : U.S., Germany, Indonesia, Thai, and the other countries (incl. consolidation Adj., FX)

Korea · Export

2023 FY Performance

(Unit: KRW 100million)



Korea	2023	
	Sales	YoY(%)
Food container	58,653	-1.2%
Beverageware	32,397	-1.7%
Cookware	26,031	-12.1%
Small appliance	9,812	-25.0%
Others	11,050	-8.2%
Total	137,944	-6.2%

Export	2023	
	Sales	YoY(%)
America	37,861	23.4%
Europe	10,337	-14.2%
Asia	18,189	-6.4%
Others	6,553	-5.9%
Total	72,940	5.5%

Korea

Strategically reorganizing the mix of sales channels

Sales in Korea decreased by 6% YoY mainly due to the strategic downscaling of home shopping channel for profitability, total sales in Korea slightly increased YoY excluding home shopping channel

Strengthening product competitiveness of food container

Sales of food container increased by 3% YoY (excl. home shopping) thanks to the release of new products which led market trends

※ Key-product: DOSILOCK Daily Cotton, Bisfree Modular

Export

Sales increase in the major markets

Sales of export gradually recovered and achieved 6% growth YoY due to the increased orders from customers in America

Growth in strategic category

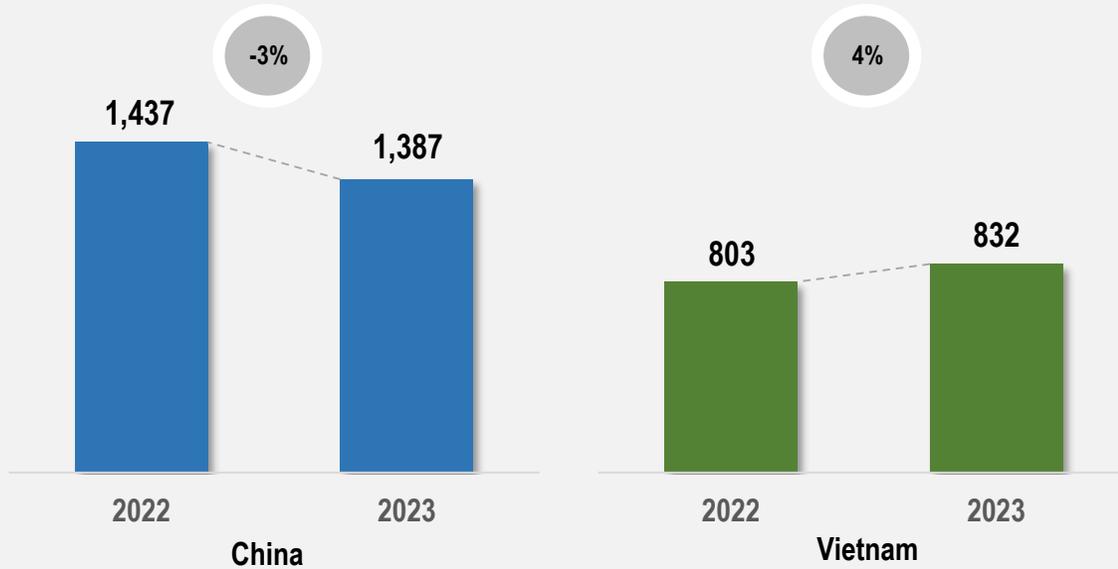
Sales of beverageware increased by 11% YoY based on specialized product launching in each region

※ Key-product: Bubble tea bottle in Taiwan, Gallon jug in America

China · Vietnam

2023 FY Performance

(Unit: KRW 100million)



(Unit: KRW million)

2023	China		Vietnam	
	Sales	YoY(%)	Sales	YoY(%)
Food container	33,392	-4.8%	6,926	-0.8%
Beverageware	72,247	-6.1%	26,260	14.2%
Cookware	7,780	-13.6%	10,640	-4.7%
Small appliance	15,750	19.0%	26,807	-0.9%
Others	9,562	1.6%	12,519	3.3%
Total	138,732	-3.4%	83,151	3.6%

China

Decrease in sales due to the weak market condition

Slowdown of customer inflows in online channels and decreased orders from B2B customers under weak economic circumstance affected sales decrease in China

Maintaining competitiveness in the online market

Although sales saw a downturn due to the market factors in China, the brand sales ranking remains stable in the major online shopping mall (T-mall)

Vietnam

Steady growth in the online market

Sales increased by 16% YoY in the online market, resulted by strategic approach to the emerging live-commerce (e.g., TikTok Shop)

Strengthening growth momentum as a leading brand of tumbler

Product competitiveness has strengthened with the continuous launch of products aligned with market trends, which resulted in a sales increase of 14% YoY in beverageware

※ Key-product: Liga Tumbler, Sling Ring Tumbler

Condensed Financial Statements

Consolidated Income Statement

(단위 : 억원)

	2022		2023	
	4Q22	YTD	4Q23	YTD
Sales	1,382	5,212	1,362	4,848
Cost of goods sold	874	3,130	868	3,123
Gross Profit	508	2,082	494	1,725
Selling, general and administrative expenses	526	2,059	499	1,936
Operating Income	-18	23	-5	-210
Net non-operating Income	-163	-105	-112	-118
Profit before Income Tax	-181	-82	-117	-328
Income tax expense	89	123	27	70
Net Income	-270	-205	-144	-398

Consolidated Balance Sheet

(단위 : 억원)

	2022.12	2023.12
Total assets	7,034	6,018
Current assets	4,423	3,800
Cash*	1,586	1,581
Inventories	1,828	1,207
Other current assets	1,009	1,013
Non-current assets	2,612	2,218
Properties, plants, and equipment	1,799	1,541
Intangible assets	161	137
Right-of-use assets	551	447
Other non-current assets	101	93
Total Liabilities	1,064	1,003
Current liabilities	689	727
Non-current liabilities	375	276
Total Shareholders' Equity	5,970	5,015
Paid-in capital	275	241
Capital surplus	3,148	224
Others	35	-333
Retained earnings	2,510	4,882
Non-controlling interests	2	2
Total Liabilities & Shareholders' Equity	7,034	6,018

* Cash & Cash Equivalent and ST Financial Instruments

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